

# CENTER FOR Dairy EXCELLENCE Dairy Week In Review

Dated October 19, 2022



## Markets:

| Dairy Prices               | Price          | Chge. from Week Ago | Chge. from Month Ago | Chge. from Year Ago |
|----------------------------|----------------|---------------------|----------------------|---------------------|
| Class III Milk Price (Oct) | \$21.75/cwt.   | ▼ 0.5 %             | ▲ 9.4 %              | ▲ 21.2 %            |
| Class IV Milk Price (Oct)  | \$24.85/cwt.   | ▲ 1.1 %             | —                    | ▲ 45.7 %            |
| Corn (December)            | \$ 6.78/bushel | ▼ 1.3 %             | ▼ 1.9 %              | ▲ 27.9 %            |
| SBean Meal (October)       | \$401.7/ton    | ▼ 6.7 %             | ▼ 0.9 %              | ▲ 25.6 %            |
| DMC Margin (August)*       | \$ 8.08/cwt.   | —                   | ▼ 18.6 %             | ▲ 22.0 %            |

\*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.

- The average dairy price index on the latest Global Dairy Trade Auction fell 4.6 percent to \$3,723 per metric ton, marking the second decrease in a row and the biggest decline since August. Whole milk prices fell 4.4 percent, while skim milk powder prices were down 6.9 percent. Cheddar cheese prices were down 3.9 percent, while butter prices were down 2.6 percent.
- The November Class I base milk price was announced at \$24.09 per cwt, up \$1.38 from October and \$6.11 above last year's price. For the first 11 months of 2022, the Class I price has averaged \$23.75 per cwt.
- The USDA Livestock Slaughter report shows dairy cow slaughter is down in 2022, with January - August numbers down 55,700 head from a year ago numbers. Dairy cow numbers in the U.S. totaled 9.427 million head in August, according to USDA's Milk Production report, up 60,000 head year-to-date but still trailing year-ago levels by 11,000 head.
- According to the October 17 *Crop Progress* report, 94% of the U.S. corn crop in the 18 top producing states is mature, which is basically even with the 92%, five-year average. The top 18 states represent 92% of total U.S. corn production. 45% of the corn crop has been harvested, which is five percentage points higher than the 40%, five-year average. Pennsylvania has only harvested 17% of its corn crop, well below the five-year average.
- The top 18 soybean states included in the *Crop Progress* report also represent most of the national crop at 96% of total acres planted. Pennsylvania data is not included in the individual state breakdown as it does not make the list of top 18. Soybean maturation across the country is slightly ahead of the five-year average at 96% of soybean plants dropping leaves compared to 94%. Since more soybeans are mature compared to a year ago and perhaps dryer weather, 62% of the bean crop has been harvested compared to the 52%, five-year average.

## Government and Industry:

- Enrollment for the 2023 DMC program year will begin on Monday, October 17 and continue through Friday, December 9, 2022, at your local Farm Service Agency (FSA) office. Current projections show that the DMC margin is expected to remain below the maximum \$9.50 per cwt margin coverage each month next year. To sign up to participate in the 2023 DMC Program, visit your local FSA office before December 9.
- The Professional Dairy Managers of Pennsylvania and the Center for Dairy Excellence will host a Fall Forum on Farm Transition on Thursday, November 10, in Fleetwood, Berks County. The "Own Your Future" forum will feature a panel discussing how to navigate the transition process and a farm tour of Vista Grande Farms. To register, go to [www.pdmp.org](http://www.pdmp.org).
- Penn State Extension Dairy Team will host a "Women in Dairy" conference on Wednesday, November 9, at the Sheraton Harrisburg Hershey. The conference will include topics on animal welfare, health and well-being, financial management, and others. To register, search "Penn State Women in Dairy Conference."